

FILED
U.S. BANKRUPTCY COURT
DISTRICT OF HAWAII
03 MAR 21 AM 11:50
JL

NICHOLAS C. DREHER, ESQ.
THEODORE D.C. YOUNG, ESQ.
CADES SCHUTTE
A Limited Liability Law Company
1000 Bishop Street
Honolulu, Hawaii 96813
Telephone: (808) 521-9200
Facsimile: (808) 521-9210
ndreher@cades.com
tyoung@cades.com

LISA G. BECKERMAN, ESQ.
AKIN GUMP STRAUSS HAUER & FELD LLP
590 Madison Avenue
New York, New York 10022
Telephone: (212) 872-1000
Facsimile: (212) 872-1002
lbeckerman@akingump.com

DAVID P. SIMONDS, ESQ.
California State Bar No. 214499
AKIN GUMP STRAUSS HAUER & FELD LLP
2029 Century Park East, Suite 2400
Los Angeles, California 90067
Telephone: (310) 229-1000
Facsimile: (310) 229-1001
dsimonds@akingump.com
Proposed Counsel for Debtor
and Debtor in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF HAWAII

In re

HAWAIIAN AIRLINES, INC.,
a Hawaii corporation

Debtor.

CASE NO. 03- 00817 (RJF)
(Chapter 11)

[No Hearing Required]

IMANAGEDB:465669.2

ORIGINAL 34

**APPLICATION OF DEBTOR AND DEBTOR IN POSSESSION FOR
AUTHORITY TO EMPLOY CADES SCHUTTE AS LOCAL COUNSEL**

The Application of HAWAIIAN AIRLINES, INC., a Hawaii corporation (the "Debtor") respectfully represents as follows:

1. On March 21, 2003, the Debtor filed its voluntary petition commencing the above-captioned case under Chapter 11 of Title 11, United States Code (the "Bankruptcy Code").
2. Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, the Debtor has continued in possession of its property and in the operation of its business and is debtor and debtor in possession.
3. The Debtor wishes to employ Nicholas C. Dreher and other members of Cades Schutte A Limited Liability Law Company ("Cades Schutte") as its local counsel in this case. All of the attorneys in the Cades Schutte firm are duly admitted to practice in this Court.
4. The Debtor has selected Cades Schutte because its attorneys have considerable experience in bankruptcy, corporate law, commercial law, real estate law, tax law and other areas of law, and are well qualified to represent the Debtor in this proceeding.

5. The professional services that Cades Schutte is to render in this case include:

(a) To give the Debtor legal advice with respect to its powers and duties as a debtor and debtor in possession in the continued operation of its business and management of its property;

(b) To represent the Debtor in proceedings or hearings in the Bankruptcy Court involving matters of bankruptcy law;

(c) To assist the Debtor in the preparation of applications, accounts, answers, orders and reports;

(d) To assist the Debtor in the negotiation, preparation, confirmation and implementation of a Plan of Reorganization; and

(e) To perform such other legal services for Debtor as debtor in possession which may be necessary in this case.

6. The terms of the employment of Cades Schutte agreed to by the Debtor, subject to the approval of the Court, are that the attorneys and paralegals in Cades Schutte will undertake the representation of the Debtor and will charge for the time spent on the basis of their customary prevailing hourly rates. The individuals currently designated to represent the Debtor in this matter and their current hourly rates are:

NICHOLAS C. DREHER	\$275
THEODORE D.C. YOUNG	\$210

7. The foregoing hourly rates are subject to periodic adjustment to reflect economic and other conditions and to take account of increased experience and expertise. Cades Schutte will make periodic application to the Court for allowance of compensation and reimbursement of expenses. No compensation will be paid by the Debtor to Cades Schutte except after approval by the Court after notice and a hearing.

8. To the best of Debtor's knowledge, subject to the disclosures in the Declaration of Nicholas C. Dreher, Cades Schutte does not hold or represent an interest adverse to the estate and does not have any connections with the Debtor, creditors, any other party in interest in this case, their respective attorneys or accountants, the United States trustee, or any person employed in the office of the United States trustee except as stated in the Declaration of Nicholas C. Dreher, and the employment of Cades Schutte as local counsel to the Debtor would be in the best interest of this estate.

9. Pursuant to the requirements of Rule 2014 of the Federal Rules of Bankruptcy Procedure, a copy of this Application has been transmitted by the Debtor to the Office of the United States Trustee. In addition, notice of this Application has been provided to: (i) all parties appearing on the Debtor's list of


creditors holding the twenty largest unsecured claims; (ii) the Securities and Exchange Commission; and (iii) the Internal Revenue Service.

10. A copy of the proposed Order approving this Application is attached.

WHEREFORE, the Debtor requests that it be authorized to employ Cades Schutte under the terms specified above to represent the Debtor as debtor in possession in this case with compensation to be at the expense of the estate in such amounts as the Court may hereafter allow in accordance with law.

Dated: Honolulu, Hawaii, March 21, 2003.

HAWAIIAN AIRLINES, INC.



CHRISTINE R. DEISTER
Executive Vice President and Chief
Financial Officer

IN THE UNITED STATES BANKRUPTCY COURT

DISTRICT OF HAWAII

In re) **Case No. 03 – 00817**
)
HAWAIIAN AIRLINES, INC.,) (Chapter 11)
a Hawaii corporation,)
) **INTERIM ORDER, PURSUANT TO**
Debtor.) **SECTION 327(a) AND SECTION 328(a)**
) **OF THE BANKRUPTCY CODE, AND**
) **RULES 2014 (a) AND 2016 OF THE**
) **FEDERAL RULES OF BANKRUPTCY**
) **PROCEDURE AUTHORIZING THE**
) **RETENTION AND EMPLOYMENT**
) **OF CADES SCHUTTE LLC AS**
) **LOCAL COUNSEL FOR DEBTOR IN**
) **POSSESSION**
)
) Date: *March 21, 2003*
) Time: *2:30 p.m.*
) Judge: Hon. Robert J. Faris
)
_____)

Upon consideration of the application (the “Application”) of Hawaiian Airlines, Inc., as debtor and debtor in possession (the “Debtor”), seeking an order pursuant to section 327(a) and section 328(a) of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), and Rules 2014 (a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) authorizing and approving the retention and employment of Cades Schutte A Limited Liability Law Company (“Cades Schutte”), effective as of the commencement of the Debtor’s chapter 11 case, as its local counsel under a general retainer, all as more fully set

forth in the Application; and upon consideration of the Declaration of Nicholas C. Dreher, a member of Cades Schutte (the "Cades Schutte Declaration"); and the Court being satisfied, based on the representations made in the Application and the Cades Schutte Declaration that said attorneys represent no interest adverse to the Debtor's estate with respect to the matters upon which they are to be engaged, that they are "disinterested persons," as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that the Debtor's employment of Cades Schutte is necessary and would be in the best interests of the Debtor and its estate; and it appearing that adequate and sufficient notice of the Application has been given; and sufficient cause appearing therefore, it is

ORDERED that the Application is approved upon the terms set forth herein; provided, however, that any party in interest shall have twenty (20) days from the date hereof to object to the Debtor's retention and employment of Cades Schutte. If no objection is filed and received by the Debtor and Cades Schutte in such time, this Order shall be deemed final on the twenty-first (21st) day after the date hereof. If a timely objection is received, the Court will set a hearing date and the Debtor will provide notice of such hearing to the appropriate parties; and it is further

ORDERED that if no objections to Cades Schutte's retention and employment on a permanent basis are timely filed, served and received in

accordance with this Order, this Court may enter a final order without further notice or hearing, and the Application shall be granted in its entirety, and Cades Schutte's retention and employment on a permanent basis shall be made effective nunc pro tunc to the date of the commencement of this chapter 11 case; and it is further

ORDERED that notice of the Application as provided therein shall be deemed good and sufficient notice of such Application; and it is further

ORDERED that, in accordance with section 327(a) and section 328(a) of the Bankruptcy Code, the Debtor is hereby authorized to employ and retain Cades Schutte as its attorneys under a general retainer, effective as the commencement of this chapter 11 case in accordance with Cades Schutte's normal hourly rates and expense reimbursement policies as set forth in the Application upon the terms and conditions set forth in the Application; and it is further

ORDERED that Cades Schutte may apply for compensation and reimbursement in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and applicable Federal Rules of Bankruptcy Procedure, the Bankruptcy Rules, the Local Rules for the District of Hawaii, and further orders of this Court.

Dated: Honolulu, Hawaii, _____, 2003.

UNITED STATES BANKRUPTCY JUDGE

In re Hawaiian Airlines, Inc., Chapter 11, Case No. 03-_____;
INTERIM ORDER, PURSUANT TO SECTION 327(a) AND SECTION 328(a)
OF THE BANKRUPTCY CODE, AND RULES 2014 (a) AND 2016 OF THE
FEDERAL RULES OF BANKRUPTCY PROCEDURE AUTHORIZING THE
RETENTION AND EMPLOYMENT OF CADES SCHUTTE LLC AS LOCAL
COUNSEL FOR DEBTOR IN POSSESSION